

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

SDF Loans – Repayment of outstanding Sugar Development Fund loan dues payable by certain Cooperative Sugar Factories to Government of India – Budget Release Order for Rs.6,85,17,000/- issued - Administrative Sanction – Accorded – Orders – Issued.

INDUSTRIES AND COMMERCE (SUGAR) DEPARTMENT

G.O.Rt.No. 17

Dated: 23 -03-2010

Read the following :-

- (1) D.O.Lr.No.3-2(3)/07 SDF A/cs/146, Dated 15-4-2009 of the Joint Secretary (S&SA), Government of India, Ministry of Consumer Affairs, Food & Public Distribution, Department of Expenditure, Department of Food and Public Distribution, New Delhi.
- (2) From the Joint Secretary, (PF-1.) Govt. of India , Min. of Finance, Department of Expenditure, New Delhi, dt. 9-12-2009 addressed to Prl. Secretary (Finance), Government of A.P.
- (3) From the Secretary, Min. of Finance, Government of India Dept. of Expr. New Delhi , D.O.No. 49(24)PF 1/2009, dt. 4-2-2010 addressed to Chief Secretary to Government of A.P.
- (4) Memo. No: 2208/575/2009, dated: 23.12.2009 from the Secretary (FP) Finance (Expr.I.& C) Department, Govt. of A.P.
- (5) From Commr. of Sugar & C.C., Hyd., Lr.No. E2/12151/2006, dated. 16-01-2010
- (6) G.O.Rt.No: 1150, Finance (Exp. Ind.Com) Department, dated: 19.03.2010.
- (7) From the Commr. of Sugar & C.C., Hyd., Lr.No. E2/12151/2006, Dated. 20-03-2010.

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ORDER:

The Joint Secretary (S&SA), Department of Food & Public Distribution, Government of India in the reference first read above, informed that certain Sugar Factories have defaulted in repayment of Sugar Development Fund (SDF) loans availed by them for which the State Government had guaranteed the repayment and while requesting to liquidate the dues, has indicated that in the event of non-repayment, they are constrained to initiate the process of recovery by adjusting the same against Central Government Assistance to the State concerned and the same was reiterated by the Ministry of Finance, Government of India in the references second and third read above. The Government in the reference fourth read above, sought the report of the Commissioner of Sugar & Cane Commissioner in the matter.

2. The Commissioner of Sugar and Cane Commissioner, Hyderabad, in his letter fifth read above, has stated that the Sugar Development Fund (S.D.F.) loans dues amounting to Rs.6,85,17,311/- have to be paid by the following Six (6) Coop. Sugar Factories (CSFs) to Government of India namely :-

P.T.O.

Sl No	Name of the Coop. Sugar Factory	Amount of SDF dues Rs.	Remarks
1.	Anakapalle V.V.Ramana CS Ltd.,	86,09,923	Functioning
2.	Amadalavalasa CS Ltd., 1,16,27,667 72,66,409	1,88,94,076	Privatized
3.	Nagarjuna C.S.Ltd.,	12,56,037	Privatized
4.	Sri ASM Coop. Sugars Ltd.,	77,07,223	Privatized
5.	Nandyal Coop. Sugars Ltd.,	1,59,07,611	Privatized
6.	Palair Coop. Sugars Ltd., 1,98,114 71,17,554 88,26,773	1,61,42,441	Privatized
	TOTAL	6,85,17,311	

3. And since the SDF loan is guaranteed by Government of Andhra Pradesh and since there is an obligation on the part of the State Government to honour the commitment made in the tripartite agreements between Government of India, State Government and the Cooperative Sugar Factories concerned, and since the default has occurred in repayment of the SDF loan including the interests thereon.

4. And since the Commissioner of Sugar and Cane Commissioner, Hyderabad, has also informed that the Public Enterprises Department convened review meeting with the Officer on Special Duty (OSDs) of Privatized Coop Sugar Factories and expressed that the balance sale proceeds of the privatized Coop. Sugar Factories are not available with them to meet all the outstanding liabilities including the S.D.F. outstanding. The Commissioner of Sugar and Cane Commissioner, Hyderabad, has therefore, requested to provide a provision in the Budget for an amount of Rs.6,85,17,311/- on behalf of the defaulted Cooperative Sugar Factories to liquidate SDF loan dues as on 31-3-2009 (as per the statement communicated by the Joint Secretary, Department of Food and Public Distribution, New Delhi, in the reference first read above) and to repay the same at the earliest to avoid further interest burden.

5. And since the Public Enterprises Department and Finance Department have concurred to release this amount, and the Finance Department in the reference sixth read above, have issued Budget Release Order for an amount of Rs.6,85,17,000/-.

6. The Government hereby accord administrative sanction for an amount of Rs.6,85,17,000/- (Rupees Six Crore eighty five lakhs seventeen thousand only) towards repayment of dues under Sugar Development Fund to Government of India on behalf of defaulted sugar mills as under:

Sl No	Name of the Coop. Sugar Factory	Amount of SDF dues Rs.	Remarks
1.	Anakapalle V.V.Ramana CS Ltd.,	86,09,923	Functioning
2.	Amadalavalasa CS Ltd., 1,16,27,667 72,66,409	1,88,94,076	Privatized
3.	Nagarjuna C.S.Ltd.,	12,56,037	Privatized
4.	Sri ASM Coop. Sugars Ltd.,	77,07,223	Privatized
5.	Nandyal Coop. Sugars Ltd.,	1,59,07,611	Privatized
6.	Palair Coop. Sugars Ltd., 1,98,114 71,17,554 88,26,773	1,61,42,441	Privatized
	TOTAL	6,85,17,311	

7. The expenditure shall be debited to the Head of Accounts, as indicated below:

“6860 – Loans for consumer Industries – 04 – Sugars – 101 – Loans to Coop Sugar Mills – 11-N.S.P.(09)-Loans for repayment of dues to S.D.F. on behalf of Defaulted Sugar Mills -001-Loans to Co-op. Sugar Factories. (to be opened)”

8. The above expenditure shall be incurred as additional in relaxation of Treasury Control Orders pending provision of funds in the Supplementary grants 2009-10 towards repayment of dues to S.D.F. on behalf of Defaulted Sugar Mills under Sugar Development Fund under Plan.

9. The Commissioner of Sugar and Cane Commissioner shall take necessary action to draw and disburse the amount

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT &
COMMISSIONER, INDUSTRIAL PROMOTION.

To.

The Commissioner of Sugar & Cane Commissioner,

Copy to:

The Special Chief Secretary to Government, Public Enterprises Department, A.P. Secretariat, Hyderabad

Copy to the Finance (Exp. I&C) Department, A.P. Secretariat, “D” Block Hyderabad.

Copy to the Finance (B.G.) Department, A.P. Secretariat, “D” Block Hyderabad.

The Asst. Director (Loan), NCDC., 4-Siri, Institutional

Area, Hauz Khs, New Delhi .

The Regional Director, NCDC., HACA Bhavan, Hyderabad .

The Director of Treasuries & Accounts, Hyderabad

The Pay & Accounts Officer, Hyderabad

The Accountant General, A.P. Hyderabad

The PS to M(MI&S)

//FORWARDED BY ORDER//

SECTION OFFICER